(ii) The condition requiring inter-State sale of power for getting mega power status would be removed.

(iii) The present dispensation of 15% price preference available to the domestic bidders in case of cost plus projects of Public Sector Undertakings (PSUs) would continue. However, the price preference will not apply to tariff based competitively bid projects of PSUs.

(iv) The developers of mega power project would not be required to undertake International Competitive Bidding (ICB) for procurement of equipment for the mega power project if the requisite quantum of Power has been tied up through tariff based competitive bidding or the project has been awarded through tariff based competitive bidding.

(v) All benefits, except a basic custom duty of 2.5% only, available under mega power policy would be extended to expansion unit(s) of existing mega power projects even if the total capacity of expansion unit(s) is less than the threshold qualifying capacity, provided the size of the unit(s) is not less than that provided in the earlier phase of the project. All other conditions for grant of the mega power status shall remain same.

(vi) Mega Power Projects may sell power outside long term PPA(s) in accordance with the National Electricity Policy 2005 and Tariff policy 2006, as amended from time to time.

(d) and (d) In view of the decision stated at sub-para (i) above, the power purchasing States are required to undertaken to carry out distribution reforms as laid down by Ministry of Power.

(e) Mega power policy aims at deriving economies of scale by setting up large size power plants. Mega Power Policy, in its present form, has played a vital role in the development of power sector. The modified policy will simplify the procedure for grant of mega certificate and facilitate quicker capacity addition, thus bridging the demand-supply gap of power in the country.

Progress of power projects

1965. SHRIMATI MOHSINA KIDWAI:
SHRIMATI SHOBHANA BHARTIA:

Will the Minister of POWER be pleased to state:

(a) whether Government has recently asked the States to expedite completion of power projects and check slippages for the proper growth of power sector;

(b) if so, the details of the discussions held with the State Governments and the outcome thereof;

(c) whether the Planning Commission has also expressed concern at the tardy progress of reforms in power sector; and

(d) if so, the strategies formulated by Government to check slippages in the growth of power sector and to achieve the target of completion of power projects in a time bound period?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI BHARATSINH SOLANKI): (a) and (b) To check slippages and expedite completion of power projects for proper growth of the power sector, Conference of Power Ministers was held in June, 2009 and November, 2009. In the Power Ministers' Conference held in November, 2009 it has been resolved that close monitoring of the projects particularly those identified as critical by Central Electricity Authority (CEA) will be ensured by the State Governments and all efforts will be made for timely commissioning of the projects.

(c) Planning Commission at this stage has not expressed its concern on the tardy progress of power reforms by the States.

(d) Question does not arise.

Rural electrification

1966. SHRI RAJEEV SHUKLA:
DR. T. SUBBARAMI REDDY:

Will the Minister of POWER be pleased to state:

(a) whether electrification is viewed as prime mover for rural development;

(b) whether rural electrification has been able to increase significantly agricultural production and also improve jobs and income generation activities;

(c) if so, whether schemes like Minimum Needs Programme (MNP), PM's Gramodaya Yojana, Kutir Jyoti, Accelerated Electrification of one lakh villages, one crore households and RGGVY are being implemented in this regard;

(d) whether his Ministry has released latest guidelines for village electrification through Decentralized Distributed Generation (DDG) under RGGVY during the Eleventh Five Year Plan scheme of rural electrification infrastructure and household electrification; and

(e) whether the approval has been accorded for capital subsidy of Rs. 540 crores for DDG during the Eleventh Five Year Plan period?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI BHARATSINH SOLANKI): (a) and (b) Electricity is an essential requirement for all facets of our life and it has been recognized as a basic human need. It is the key to accelerate economic growth, generation of employment, elimination of poverty and human development especially in rural areas. No study has been made by Ministry of Power to determine whether rural electrification has been able to increase significantly agriculture production and also improve jobs and income generation activities. However, it is expected that rural electrification would lead to increase in per capita consumption of electrification.